

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

ORIGINAL

MAILING ONLINE SERVICE

Docket No. MC98-1

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RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF
DOUGLAS F. CARLSON
(DFC/USPS-1(A), (C)-(F), (H), AND (I))

The United States Postal Service hereby provides its response to the following interrogatory of Douglas F. Carlson: DFC/USPS-1(a), (c)-(f), (h), and (i), filed on August 18, 1998. An objections to DFC/USPS-1(b) and (g) was filed on August 25, 1998.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

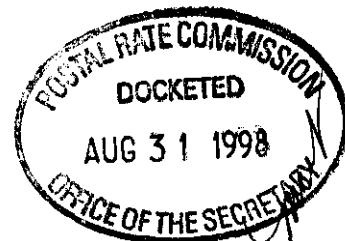
By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Scott L. Reiter

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2999; Fax -5402
August 31, 1998



RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TO
INTERROGATORY OF DOUGLAS F. CARLSON

DFC/USPS-1. Please refer to Attachment 1 to DFC/USPS-1. This attachment is a newspaper article titled "Postal Service Tests Online Delivery" from the *San Francisco Chronicle* on July 18, 1998, discussing a new electronic-mail service called PostECS. (Please explain any negative answers.)

- a. Please confirm that the Postal Service is testing PostECS (or a similar service by a different name).
- c. Does the Postal Service have any plans for joint marketing of PostECS and Mailing Online?
- d. Will PostECS and Mailing Online be offered through a common Web site?
- e. Will PostECS use the same San Mateo data center as Mailing Online uses?
- f. Will economies of scale from these combined operations potentially reduce the costs for processing Mailing Online transactions from the current estimated costs?
- h. When will any economies of scale gained from these operations potentially be reflected in lower costs and lower rates or fees for Mailing Online transactions?
- i. Will the Postal Service promise to submit a request to the Commission by a particular date to lower Mailing Online rates to reflect these economies of scale?

RESPONSE:

- a. Confirmed.
- c, d. The Postal Service has not decided whether to pursue such plans at this time.
- e. Yes, as do many other postal applications.
- f, h. There are no such current or planned combined operations; therefore there would be no economies of scale.
- i. See response to f-h above. In general, however, any reduction in costs resulting from changes in Mailing Online operations as the service evolves would be reflected in the Postal Service's eventual filing for a permanent Mailing Online service.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

A handwritten signature in cursive script, appearing to read "Scott L. Reiter", is written above a horizontal line.

Scott L. Reiter

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